

## SALE OF LAND TO CITY OF CORBIN, KY.

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JUNE 26, 1956.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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Mr. COOLEY, from the Committee on Agriculture, submitted the following

### REPORT

[To accompany H. R. 8817]

The Committee on Agriculture, to whom was referred the bill (H. R. 8817) to provide for the conveyance of certain property of the United States to the city of Corbin, Ky., having considered the same, report favorably thereon with amendment and recommends that the bill, as amended, do pass.

The amendments are as follows:

Page 1, line 3, strike out "Secretary of Agriculture" and insert "Administrator of General Services".

Page 2, line 4, beginning with the word "Secretary" strike out the remainder of the section through and including line 13, and insert:

Administrator of General Services. In the event the city of Corbin fails to tender the purchase price within one year after being informed of the amount thereof by the Administrator, he is hereby authorized to dispose of said tract and improvements under the Federal Property and Administrative Services Act of 1949, as amended.

Page 2, beginning on line 14, strike out all of section 2 and insert:

SEC. 2. In order to carry out the purpose of this Act, there are hereby transferred from the Secretary of Agriculture to the Administrator of General Services the custody and control of the land referred to in the first section of this Act.

The purpose of this bill is to authorize the sale to the city of Corbin, Ky., at fair market value, of 6 acres of land situated within the city, together with the buildings and improvements thereon. Title to the land is in the Secretary of Agriculture while jurisdiction over the buildings (they having been declared excess property at the end of the war) is in the General Services Administration. It is the under-

standing of the committee that the city of Corbin, being in a distress area, desires to acquire the property so that it may lease it on favorable terms for industrial purposes in order to provide additional business and employment within the city. The Department of Agriculture states that it does not appear that the property will be needed in the future for its activities and recommends its sale for use for commercial purposes.

#### COMMITTEE AMENDMENTS

The amendments adopted by the committee are those recommended by the Department of Agriculture and explained in some detail in its letter recommending approval of the bill. Rather than transferring jurisdiction over the buildings to the Secretary of Agriculture for purposes of the sale, as proposed in the original bill, the bill as amended will transfer title to the land to the General Services Administrator for disposal. If the city does not exercise its right to buy the property within 1 year, the Administrator is to dispose of it under general provisions of law. The amendments also deny the right of the city to a credit against the purchase price of the property on account of a sewer line built across the property some years ago.

#### DEPARTMENTAL APPROVAL

Following is the text of the letter from the Department of Agriculture recommending approval of the bill as amended:

DEPARTMENT OF AGRICULTURE,  
Washington, D. C., May 24, 1956.

HON. HAROLD D. COOLEY,  
*Chairman, Committee on Agriculture,  
House of Representatives.*

DEAR CONGRESSMAN COOLEY: This is in response to your letter of February 2, 1956, requesting a report on H. R. 8817, a bill to provide for the conveyance of certain property of the United States to the city of Corbin, Ky.

We recommend that this bill be enacted if amended as hereinafter suggested.

H. R. 8817 would provide that the Secretary of Agriculture shall convey to the city of Corbin, Ky., a certain tract of land containing about 6 acres located within the city of Corbin upon payment to the United States of an amount equal to the fair-market value of such land and improvements thereon. The bill would further provide that there shall be allowed to the city of Corbin credit against the total amount required to be paid by the city for this property equal to \$10,458.75, plus interest at the rate of 6 percent per annum from the date certain sanitary improvements were constructed across the described property. It also would transfer to the Secretary of Agriculture jurisdiction of the improvements on the land now exercised by the General Services Administration.

The described tract of land was acquired by the United States pursuant to the Weeks law of March 1, 1911, as amended, for \$815. By the terms of such law this tract is national forest land and, therefore, cannot be sold under surplus property laws. Subsequent to acquisition of the tract, a central repair shop for repair of equipment used by the Civilian Conservation Corps in activities on national

forest and other lands in the general area was constructed on the property. In 1942 this property was transferred to the War Department by Executive order and was used by the Army during the war. At the conclusion of the war the improvements on the land were declared excess and jurisdiction thereof has since been exercised by the General Services Administration and its predecessors. Beginning in 1946 the property was leased to a private company and used as a small factory. A rental of \$3,996 per year was paid. This lease expired on December 31, 1955, and the lessee did not make application to renew. The property is now vacant.

Improvements on the property consist of a main building 60 by 180 feet of concrete and steel construction on concrete foundation, garage and heating plant building 32 by 96 feet on concrete foundation with wood frame and plank sheathing, and a small entrance building 14 by 20 feet on concrete foundation of concrete block construction with cement floors. The entire tract is enclosed by a 6-foot heavy wire fence on iron-pipe posts. All buildings have electricity and municipal water and are heated by central heating system. All are in good condition.

In 1950 the city of Corbin installed a sewerage system, a portion of which was built over the described tract. In 1951 the city entered a claim for \$10,458.75 as the amount due it for the proportionate cost of the sewerage system across this tract, based upon the area of Government property, and attempted to place an assessment against the property in that amount, plus 6 percent interest until paid. Since the Federal Government is not subject to local assessments the claim has not been paid and we feel that there are no special circumstances in this case to justify an exception.

It does not appear that this property will be needed in the future for activities of this Department. Disposal of it so that it may be put to use for commercial purposes is desirable. We understand that the city of Corbin wishes to acquire the property so that it may lease it for industrial purposes on favorable terms as a means of providing additional business and employment within the city.

The improvements constitute the principal values in this property. They are under the administrative jurisdiction of the General Services Administration. Since General Services Administration is the agency of the Federal Government which usually handles the disposition of this type of property, it is believed that it would be more appropriate for that agency to handle the disposition in this case. It is also felt desirable to have the bill amended to authorize the General Services Administration to dispose of the property under existing law, in the event the city fails to exercise its right of purchase pursuant to the terms of the bill within a reasonable time.

In order to accomplish the above objectives, it is recommended that the bill be amended as follows:

Page 1, line 3, after the word "That," strike "the Secretary of Agriculture" and insert in lieu thereof "the Administrator of General Services".

Page 2, line 4, strike "Secretary" and insert in lieu thereof "Administrator of General Services" and delete the remainder of section 1, line 4 through line 13 and insert in lieu thereof the following: "In the event the city of Corbin fails to tender the purchase price within one year after being informed of the amount thereof by the Adminis-

trator, he is hereby authorized to dispose of said tract and improvements under the Federal Property and Administrative Services Act of 1949, as amended."

Page 2, strike section 2 in its entirety, and substitute the following:  
 "Sec. 2. In order to carry out the purpose of this Act, there are hereby transferred from the Secretary of Agriculture to the Administrator of General Services the custody and control of the land referred to in the first section of this Act."

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

TRUE D. MORSE,  
*Acting Secretary.*

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